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CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1108

Introduced by Assembly Member Fuentes

February 27, 2009

An act to amend Sections 739.5, 2791, 2796, and 2797 of, to repeal Sections 2793, 2794, 2795, and 2799 of, and to repeal and add Sections 2792 and 2798 of, the Public Utilities Code, relating to utility service.

LEGISLATIVE COUNSEL'S DIGEST

AB 1108, as amended, Fuentes. Electric and gas utility service: master-meter customers.

(1) Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and gas corporations. Existing law requires that, when gas or electric service is provided by a master-meter customer to users who are tenants of a mobilehome park, apartment building, or similar residential complex, the master-meter customer charge each user at the same rate that would be applicable if the user were receiving gas or electricity directly from the gas or electrical corporation. Existing law additionally requires the electrical or gas corporation to establish

uniform rates to master-meter customers at a level that will provide a sufficient differential to cover the reasonable average costs to master-meter customers of providing submeter service, except that these costs shall not exceed the average cost that the corporation would have incurred in providing comparable services directly to the users of the service (master-meter discount). Existing law provides that every master-meter customer is responsible for the maintenance and repair of its submeter facilities beyond the ~~master-meter~~ master meter.

This bill would make the existing provisions of law relating to master-meter customers applicable only to master-meter customers providing submetered service to tenants of an apartment building or similar multifamily residential dwelling. The bill would adopt separate provisions that are applicable to a master-meter customer that provides submetered service to tenants of a mobilehome park or manufactured housing community *prior to any transfer of responsibility for gas or electric service to the gas or electrical corporation, as described below*. These provisions would authorize the commission, if it finds that a master-meter customer has failed to maintain or repair its submeter facilities beyond the ~~master-meter~~ master meter, to order the master-meter customer to maintain or repair those facilities and would ~~authorize~~ *require* the commission, in addition to the commission's authority to make or enforce orders pursuant to the Public Utilities Act, to order that certain moneys received as a result of the master-meter discount be held in trust to be expended for maintenance and repair of the submetered facilities of the mobilehome park or manufactured housing community. ~~The bill would require a master-meter customer to separately bill tenants of a mobilehome park or manufactured housing community for gas or electric service, or both, and rent, and would prohibit the master-meter customer from charging a user of electricity or gas any late charge for nonpayment or delayed payment of rent. The bill would require that any late charge imposed by a master-meter customer for nonpayment or delayed payment by a user for gas or electric service at a mobilehome park or manufactured housing community be in an amount that does not exceed that which the electrical or gas corporation would charge for nonpayment or delayed payment for electric or gas service.~~

(2) Existing law authorizes the owner of a master-metered mobilehome park or manufactured housing community that provides gas or electric service to residents to transfer ownership and operational responsibility for its gas or electric system to the gas or electrical

corporation providing service in the area in which the park or community is located, pursuant to specified transfer and cost allocation procedures.

This bill would require the owner of a master-metered mobilehome park or manufactured housing community that provides gas or electric service to residents *or the park or community to transfer ownership and operational responsibility for its gas or electric system service, along with those plant, facilities, and interests in real property that the gas or electrical corporation determines are necessary, convenient, or cost effective to provide service, to the gas or electrical corporation providing service in the area in which the park or community is located. The bill would authorize the gas or electrical corporation to acquire, improve, upgrade, repair, or replace those plant and facilities the gas or electrical corporation determines are necessary, convenient, or cost effective to provide service and undertake the responsibility for operating and maintaining them. The bill would require the electrical corporation to pay just compensation for those plant, facilities, and property rights that the gas or electrical corporation acquires.* The bill would require the commission, by January 1, 2010, to open a proceeding to adopt rules ~~that establish the terms and conditions for the transfers~~ *authorize gas and electrical corporations to extend corporation-owned lines, plant, facilities, and systems to provide service consistent with applicable laws, standards, and rules, that balance certain goals and requirements.* The commission would be required *to establish a procedure for identifying mobilehome parks and manufactured housing communities with unsafe or substandard gas or electric systems and, in coordination with the Department of Housing and Community Development and the county departments of weights and measures, to establish a recommended phase-in schedule for improving, upgrading, repairing, or replacing those unsafe or substandard systems and to prioritize the transfer of gas or electric systems with unsafe or substandard conditions.* The bill would require the commission, *consistent with the commission's standard ratemaking practices,* to permit the gas or electrical corporation to recover, in its revenue requirements and rates, the costs the commission finds reasonable ~~to acquire, improve, and upgrade transferred mobilehome park or manufactured housing community gas or electric systems and would require, to the extent practical, that these costs be collected over 2 rate case cycles, rather than in a single cycle.~~ The bill would require the commission, by January 1, 2012, to adopt a standard form agreement for transfer of gas and electric systems in mobilehome parks and manufactured housing communities, based upon

~~the rules adopted by the commission, that would be the basis for expedited approval of the transfers. The bill would require that transfers commence as soon as the standard contract is available, to proceed according to the process adopted by the commission for the corporation's improvement, upgrade, repair, replacement, acquisition, operation, and maintenance of plant, facilities, and interests in real property to serve the mobilehome park or manufactured housing community and the tenants of the park or community.~~

Under existing law, a violation of any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because a violation of an order or decision of the commission implementing its requirements would be a crime, the bill would impose a state-mandated local program by creating a new crime.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 739.5 of the Public Utilities Code is
2 amended to read:
3 739.5. (a) (1) The commission shall require that, if gas or
4 electric service, or both, is provided by a master-meter customer
5 to users who are tenants of an apartment building or similar
6 multifamily residential dwelling, the master-meter customer shall
7 charge each user of the service at the same rate that would be
8 applicable if the user were receiving gas or electricity, or both,
9 directly from the gas or electrical corporation.
10 (2) The commission shall require the gas or electrical
11 corporation furnishing service to the master-meter customer to
12 establish uniform rates for master-meter service at a level that will
13 provide a sufficient differential to cover the reasonable average
14 costs to master-meter customers of providing submeter service at
15 an apartment building or similar multifamily residential dwelling,
16 except that these costs shall not exceed the average cost that the

1 corporation would have incurred in providing comparable services
2 directly to the users of the service.

3 (b) Every master-meter customer of a gas or electrical
4 corporation subject to subdivision (a) who receives any rebate
5 from the corporation shall distribute to, or credit to the account of,
6 each current user served by the master-meter customer that portion
7 of the rebate which the amount of gas or electricity, or both,
8 consumed by the user during the last billing period bears to the
9 total amount furnished by the corporation to the master-meter
10 customer during that period.

11 (c) An electrical or gas corporation furnishing service to a
12 master-meter customer shall furnish to each user of the service
13 within a submetered system at an apartment building or similar
14 multifamily residential dwelling every public safety customer
15 service which it provides beyond the meter to its other residential
16 customers. The corporation shall furnish a list of those services to
17 the master-meter customer, who shall post the list in a conspicuous
18 place accessible to all users. Every corporation shall provide these
19 public safety customer services to each user of electrical or gas
20 service under a submetered system without additional charge unless
21 the corporation has included the average cost of these services in
22 the rate differential provided to the master-meter customer on
23 January 1, 1984, in which case the commission shall deduct the
24 average cost of providing these public safety customer services
25 when approving rate differentials for master-meter customers.

26 (d) Every master-meter customer at an apartment building or
27 similar multifamily residential dwelling is responsible for
28 maintenance and repair of its submeter facilities beyond the
29 master-meter, and nothing in this section requires an electrical or
30 gas corporation to make repairs to or perform maintenance on the
31 submeter system.

32 (e) Every master-meter customer at an apartment building or
33 similar multifamily residential dwelling shall provide an itemized
34 billing of charges for electricity or gas, or both, to each user
35 generally in accordance with the form and content of bills of the
36 gas or electrical corporation to its residential customers, including,
37 but not limited to, the opening and closing readings for the meter,
38 and the identification of all rates and quantities attributable to each
39 block in the applicable rate structure. The master-meter customer
40 shall also post, in a conspicuous place, the applicable prevailing

1 residential gas or electrical rate schedule, as published by the
2 corporation.

3 (f) The commission shall require that every electrical and gas
4 corporation shall notify each master-meter customer at an
5 apartment building or similar multifamily residential dwelling of
6 its responsibilities to its users under this section.

7 (g) The commission shall accept and respond to complaints
8 concerning the requirements of this section through the consumer
9 affairs branch, in addition to any other staff that the commission
10 deems necessary to assist the complainant. In responding to the
11 complaint, the commission shall consider the role that the office
12 of the county sealer in the complainant's county of residence may
13 have in helping to resolve the complaint and, where appropriate,
14 coordinate with that office.

15 (h) Notwithstanding any other provision of law or decision of
16 the commission, the commission shall not deny eligibility for the
17 California Alternate Rates for Energy (CARE) program, created
18 pursuant to Section 739.1, for a residential user of gas or electric
19 service who is a submetered resident or tenant served by a
20 master-meter customer on the basis that some residential units in
21 the master-meter customer's apartment building or similar
22 multifamily residential dwelling do not receive gas or electric
23 service through a submetered system.

24 SEC. 2. Section 2791 of the Public Utilities Code is amended
25 to read:

26 2791. (a) The owner of a master-metered mobilehome park
27 or manufactured housing community that provides gas or electric
28 service to residents shall transfer ~~ownership and operational~~
29 responsibility for the gas or electric ~~system~~ service, along with
30 *those plant, facilities, and interests in real property that the gas*
31 *or electrical corporation determines are necessary, convenient,*
32 *or cost effective to provide service,* to the gas or electrical
33 corporation providing service in the area in which the park or
34 community is ~~located~~ located. *The gas or electrical corporation*
35 *may acquire, improve, upgrade, repair, or replace its plant and*
36 *facilities the gas or electrical corporation determines are*
37 *necessary, convenient, or cost effective to provide service and*
38 *undertake the responsibility for operating and maintaining them.*
39 *The transfer shall take place pursuant to this chapter, or as the*

1 park or community owner and the serving gas or electrical
2 corporation mutually agree.

3 *(b) The owner of a master-metered mobilehome park or*
4 *manufactured housing community shall provide to the gas or*
5 *electrical corporation all rights-of-way, rights of ingress and*
6 *egress, and other property rights that the gas or electrical*
7 *corporation requires or determines are necessary to complete the*
8 *evaluation and improvement, upgrade, repair, or replacement of*
9 *the gas or electric system and to maintain and operate the system.*

10 *(c) A gas or electrical corporation shall not be required,*
11 *pursuant to this chapter, to acquire those plant and facilities that*
12 *are part of a submetered system that are beyond the master meter*
13 *that the gas or electrical corporation determines are not necessary,*
14 *convenient, or cost effective to providing gas or electric service*
15 *to tenants of the mobilehome park or manufactured housing*
16 *community.*

17 *(d) The gas or electrical corporation shall pay just compensation*
18 *for those plant, facilities, and property rights that the gas or*
19 *electrical corporation acquires. The Legislature finds and declares*
20 *that improvements, upgrades, repairs, or replacement of facilities*
21 *by the gas or electrical corporation benefit not only the tenants of*
22 *the mobilehome park or manufactured housing community, through*
23 *safer and more reliable service, but also the owner of the park or*
24 *community. It is the intent of the Legislature that the compensation*
25 *paid by the gas or electrical corporation to the owner of the park*
26 *or community shall reflect the benefits provided to the owner as*
27 *a result of improvements, upgrades, repairs, or replacement of*
28 *facilities by the gas or electrical corporation.*

29 SEC. 3. Section 2792 of the Public Utilities Code is repealed.

30 SEC. 4. Section 2792 is added to the Public Utilities Code, to
31 read:

32 2792. (a) (1) The commission shall, ~~prior to transfer,~~ require
33 that, if gas or electric service, or both, is provided by a
34 master-meter customer to users who are tenants of a mobilehome
35 park or manufactured housing community, the master-meter
36 customer shall charge each user of the service at the same rate that
37 would be applicable if the user were receiving gas or electricity,
38 or both, directly from the gas or electrical corporation.

39 (2) The commission shall, ~~prior to transfer~~ *any transfer of*
40 *responsibility for gas or electric service to the gas or electrical*

1 *corporation*, require the gas or electrical corporation furnishing
2 service to the master-meter customer to establish uniform rates for
3 master-meter service at a level that will provide a sufficient
4 differential to cover the reasonable average costs to master-meter
5 customers of providing submeter service to tenants of a
6 mobilehome park or manufactured housing community, except
7 that these costs shall not exceed the average cost that the
8 corporation would have incurred in providing comparable services
9 directly to the users of the service.

10 (b) Every master-meter customer of a gas or electrical
11 corporation subject to subdivision (a) who receives any rebate
12 from the corporation shall distribute to, or credit to the account of,
13 each current user served by the master-meter customer that portion
14 of the rebate which the amount of gas or electricity, or both,
15 consumed by the user during the last billing period bears to the
16 total amount furnished by the corporation to the master-meter
17 customer during that period.

18 ~~(c) A gas or electrical corporation furnishing service to a~~
19 ~~master-meter customer shall, prior to transfer, furnish to each user~~
20 ~~of the service within a submetered system of a mobilehome park~~
21 ~~or manufactured housing community, every public safety customer~~
22 ~~service which it provides beyond the meter to its other residential~~
23 ~~customers. The corporation shall furnish a list of those services to~~
24 ~~the master-meter customer, who shall post the list in a conspicuous~~
25 ~~place accessible to all users. Every corporation shall provide these~~
26 ~~public safety customer services to each user of gas or electrical~~
27 ~~service under a submetered system without additional charge unless~~
28 ~~the corporation has included the average cost of these services in~~
29 ~~the rate differential provided to the master-meter customer on~~
30 ~~January 1, 1984, in which case the commission shall deduct the~~
31 ~~average cost of providing these public safety customer services~~
32 ~~when approving rate differentials for master-meter customers.~~

33 ~~(d) (1) Prior to transfer~~

34 (c) (1) *Prior to any transfer of responsibility for gas or electric*
35 *service to the gas or electrical corporation*, every master-meter
36 customer providing submetered service to tenants of a mobilehome
37 park or manufactured housing community is responsible for
38 maintenance and repair of its submetered facilities beyond the
39 master-meter, and nothing in this section requires a gas or electrical
40 corporation, prior to ~~transfer~~ *any transfer of responsibility for gas*

1 *or electric service to the gas or electrical corporation, to make*
2 *repairs to or perform maintenance on the submetered system.*

3 ~~(2) If the commission finds, prior to transfer, that a master-meter~~
4 ~~customer~~ *any transfer of responsibility for gas or electric service*
5 *to the gas or electrical corporation, that a master-metered*
6 *mobilehome park or manufactured housing community owner has*
7 *failed to maintain or repair its submetered facilities beyond the*
8 *master-meter, the commission may order the master-meter*
9 *customer to maintain or repair those facilities.*

10 (3) In addition to any authority granted the commission to make
11 or enforce orders pursuant to Chapter 11 (commencing with Section
12 2100) of Part 1, if the commission finds, prior to transfer, that a
13 ~~master-meter customer~~ *any transfer of responsibility for gas or*
14 *electric service to the gas or electrical corporation, that a*
15 *master-metered mobilehome park or manufactured housing*
16 *community owner has failed to maintain or repair its submetered*
17 *facilities beyond the master-meter, the commission may shall order*
18 *the portion of the rate differential established pursuant to*
19 *subdivision (a) for an electric plant or a gas plant be held in trust*
20 *to be expended for maintenance and repair of the submetered*
21 *facilities.*

22 ~~(e) (1) Every master-meter customer shall, prior to transfer,~~
23 *(d) Every master-meter customer shall, prior to any transfer of*
24 *responsibility for gas or electric service to the gas or electrical*
25 *corporation, provide an itemized billing of charges for gas or*
26 *electricity, or both, to each user generally in accordance with the*
27 *form and content of bills of the gas or electrical corporation to its*
28 *residential customers, including, but not limited to, the opening*
29 *and closing readings for the meter, and the identification of all*
30 *rates and quantities attributable to each block in the applicable rate*
31 *structure. The master-meter customer shall also post, in a*
32 *conspicuous place, the applicable prevailing residential gas or*
33 *electrical rate schedule, as published by the corporation.*

34 ~~(2) Notwithstanding any other provision of law, prior to transfer~~
35 ~~of the submetered system to the gas or electrical corporation, a~~
36 ~~master-meter customer shall separately bill each user for gas or~~
37 ~~electric service, or both, and rent.~~

38 ~~(3) A master-meter customer shall not, prior to transfer of the~~
39 ~~submetered system to the gas or electrical corporation, charge a~~
40 ~~user of gas or electricity any late charge for gas or electric service~~

~~1 as a result of nonpayment or delayed payment of rent. For
2 nonpayment or delayed payment of gas or electric service by a
3 user, the master-meter customer may impose a late charge up to
4 an amount that does not exceed that which the gas or electrical
5 corporation would charge for nonpayment or delayed payment for
6 gas or electric service.~~

(f) The commission shall require that every gas and electrical corporation notify each master-meter customer of its responsibilities to its users under this section.

(g) The commission shall accept and respond to complaints concerning the requirements of this section through the consumer affairs branch, in addition to any other staff that the commission deems necessary to assist the complainant. In responding to the complaint, the commission shall consider the role that the office of the county sealer in the complainant's county of residence may have in helping to resolve the complaint and, where appropriate, coordinate with that office.

(h) Notwithstanding any other provision of law or decision of the commission, the commission shall not deny eligibility for the California Alternate Rates for Energy (CARE) program, created pursuant to Section 739.1, for a residential user of gas or electric service who is a submetered resident or tenant served by a master-meter customer on the basis that some residential units in the master-meter customer's mobilehome park or manufactured housing community do not receive gas or electric service through a submetered system.

SEC. 5. Section 2793 of the Public Utilities Code is repealed.

SEC. 6. Section 2794 of the Public Utilities Code is repealed.

SEC. 7. Section 2795 of the Public Utilities Code is repealed.

SEC. 8. Section 2796 of the Public Utilities Code is amended to read:

2796. (a) During the pendency of a transfer *of responsibility for gas or electric service*, the owner of the park or community shall be responsible for the continued maintenance to preserve the integrity of the park or community gas or electric system and safe and reliable operation of the park or community system in accordance with applicable ~~laws~~ *laws, until the gas or electrical corporation has completed its improvements, upgrades, repairs, or replacement of the submetered system, at which time the owner of the park or community shall transfer to the gas or electrical*

1 corporation all remaining property rights that the gas or electrical
2 corporation requires or determines are necessary, convenient, or
3 cost effective to enable the gas or electrical corporation to do both
4 of the following:

5 (1) Provide gas or electric service to the park or community.

6 (2) Provide gas or electric service to the end-use customers in
7 the park or community.

8 (b) During the pendency of a transfer of responsibility for gas
9 or electric service, the owner of the park or community shall be
10 liable for injury and damage resulting from operation of the
11 submetered gas and electric system. After transfer completion of
12 the transfer of responsibility for gas or electric service, including
13 the transfer of property rights pursuant to subdivision (a), the gas
14 or electrical corporation shall assume responsibility for operation
15 of the gas or electric system and provision of service to residents
16 of the park or community and shall assume liability for any future
17 injury or damage resulting from operation of the gas or electric
18 system except with respect to defects known to the park or
19 community owner and not disclosed to the gas or electrical
20 corporation during the transfer of ownership process. electric
21 system. The gas or electrical corporation shall bear no legal or
22 financial responsibility or liability for the master-metered gas or
23 electric system of an owner of a park or community, its operation
24 or maintenance, including any environmental contamination that
25 may have been caused by the park or community, or any injury to
26 person or property resulting from the gas or electric system or its
27 operation, nor shall the gas or electrical corporation be liable for
28 any claim relating to any expected timing of the replacement of
29 the gas or electric system.

30 SEC. 9. Section 2797 of the Public Utilities Code is amended
31 to read:

32 2797. The commission shall, consistent with the commission's
33 standard ratemaking practices, permit the gas or electrical
34 corporation to recover in its revenue requirement and rates the
35 costs the commission finds reasonable to acquire, improve, and
36 upgrade transferred for the corporation's improvement, upgrade,
37 repair, replacement, acquisition, operation, and maintenance of
38 plant, facilities, and interests in real property to serve the
39 mobilehome park or manufactured housing community gas or
40 electric systems, as well as the reasonable costs associated with

operating and maintaining the transferred systems, and the tenants of the park or community.

SEC. 10. Section 2798 of the Public Utilities Code is repealed.

SEC. 11. Section 2798 is added to the Public Utilities Code, to read:

2798. (a) By January 1, 2010, the commission shall open a proceeding to adopt rules that ~~establish the terms and conditions, including cost responsibilities, for the transfers required by~~ authorize gas and electrical corporations to extend corporation-owned lines, plant, facilities, and systems, consistent with applicable laws, standards, and rules for service and line extensions to provide service consistent with the requirements of Section 2791. The rules shall balance the goal of making residents of mobilehome parks and manufactured housing communities customers of record of the serving gas or electrical corporation as expeditiously as possible within a reasonable period of time, when the transfer of responsibility for gas or electric service is the result of unsafe or substandard submetered facilities, the factors described in this section, and the requirement of fairness to the gas or electrical corporation's ratepayers, who have already reimbursed the master-meter customer for maintenance costs, operating costs, return on investment, and depreciation, as well as other costs associated with providing submetered electric and gas service, through the rate differential afforded master-meter customers pursuant to Section 739.5.

(b) In adopting rules governing the transfers required by Section 2791, the commission shall also adopt a process for ordering the ~~transfers~~ transfer of any plant, facilities, and property rights that the gas or electrical corporation determines are necessary, convenient, or cost effective to provide gas or electric service and to ensure that any reasonable costs associated with ~~acquiring, improving, or upgrading the gas or electric systems that the gas or electrical corporation's~~ improvement, upgrade, repair, replacement, acquisition, operation, and maintenance of plant and facilities to serve the mobilehome park or manufactured housing community and the tenants of the park or community will be borne by the ratepayers of the serving gas or electrical corporation are collected in rates over two rate case cycles, rather than in a single cycle, to the extent practicable. The commission, in coordination with the Department of Housing and Community Development

1 and the county departments of weights and measures, shall
2 prioritize the transfer of mobilehome parks and manufactured
3 housing communities that have gas or electric systems with unsafe
4 or substandard conditions.

5 (e) By January 1, 2012, the commission shall adopt a standard
6 form of agreement for transfer of a gas or electric system in a
7 mobilehome park or manufactured housing community, based on
8 the rules adopted in the proceeding required by this section, that
9 shall be the basis for expedited approval of the transfers. Transfers
10 shall commence as soon as the standard contract is available and
11 proceed according to the process adopted by the commission.

12 *rates. The commission shall establish a procedure for identifying*
13 *mobilehome parks and manufactured housing communities with*
14 *unsafe or substandard gas or electric systems, shall establish a*
15 *recommended phase-in schedule for improving, upgrading,*
16 *repairing, or replacing those unsafe or substandard systems, and*
17 *shall prioritize, in coordination with the Department of Housing*
18 *and Community Development and the county department of weights*
19 *and measures, the transfer of those gas or electric systems with*
20 *unsafe or substandard conditions. The phase-in schedule shall*
21 *take into account the overall feasibility of the schedule, the impact*
22 *on resources of the gas or electrical corporation required to*
23 *implement improvements, upgrades, repairs, or replacements, the*
24 *necessity for coordination of different entities that provide gas*
25 *and electric service to the master-meter customer, and the financial*
26 *impact, including the impact on rates. The gas or electrical*
27 *corporation shall improve, upgrade, repair, or replace the gas or*
28 *electric system in a manner that conforms to all applicable state*
29 *and federal codes, standards, regulations, rules, and laws*
30 *respecting gas and electric systems and consistent with the*
31 *standards the gas or electrical corporation uses for other facilities*
32 *it owns, operates, and maintains, and construction to those*
33 *standards is reasonable for purposes of Article 1 (commencing*
34 *with Section 451) of Chapter 3 and Article 2 (commencing with*
35 *Section 727) of Chapter 4 of Part 1.*

36 (c) *To the maximum extent feasible, the commission shall*
37 *establish a recommended phase-in schedule in conjunction with*
38 *the gas or electrical corporation's next general rate case*
39 *proceeding and shall establish rates that take into account the*
40 *anticipated costs of implementing the phase-in schedule established*

1 pursuant to subdivision (b). The commission shall promptly allow
2 further adjustment of rates to reflect additional costs reasonably
3 incurred in implementing this chapter, including additional capital
4 investments.

5 (d) The commission shall require, as a condition for the transfers
6 required by Section 2791, that the gas or electrical corporation
7 accept as a customer of the utility, with no deposits or other
8 consideration, any tenant of the mobilehome park or manufactured
9 housing community who, prior to the transfer, received gas or
10 electric service from the master-metered customer when
11 requirements for establishing service are met as provided in the
12 corporation's applicable rules and tariffs.

13 SEC. 12. Section 2799 of the Public Utilities Code is repealed.

14 SEC. 13. No reimbursement is required by this act pursuant to
15 Section 6 of Article XIII B of the California Constitution because
16 the only costs that may be incurred by a local agency or school
17 district will be incurred because this act creates a new crime or
18 infraction, eliminates a crime or infraction, or changes the penalty
19 for a crime or infraction, within the meaning of Section 17556 of
20 the Government Code, or changes the definition of a crime within
21 the meaning of Section 6 of Article XIII B of the California
22 Constitution.

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25 CORRECTIONS:

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